



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
Washington, D.C. 20230

OFFICE OF THE GENERAL COUNSEL

AUG 08 2003

VIA FACSIMILE AND
U.S. MAIL

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Re: Recommencement of Appeal Proceedings - Consistency Appeal of the Islander East
Pipeline Company

Dear Counsel:

This letter provides notice and scheduling information concerning recommencement of the Consistency Appeal of the Islander East Pipeline Company (Islander East) before the Department of Commerce (Department), as filed pursuant to the Coastal Zone Management Act of 1972, as amended (CZMA) 16 U.S.C. 1451 et seq. Appeal proceedings before the Department have been stayed since March 17, 2003.¹ The State of Connecticut recently completed its reconsideration of the Islander East project, in connection with a remand of the appeal to the State, and on July 29, 2003, reiterated its continuing objection to the proposed pipeline. Connecticut's determination requires the Department to resume processing the Islander East appeal. 15 C.F.R. § 930.129(d)

Islander East has requested the opportunity to supplement its initial brief in order to respond to new points raised by the State's July 29, 2003 letter confirming ongoing objections to the

¹ The initial stays were granted at the request of the parties to allow for settlement negotiations. A subsequent stay was granted in order to accommodate Islander East's request that the appeal be remanded to the Connecticut Department of Environmental Protection (State) for reconsideration of its objection to the proposed natural gas pipeline project.



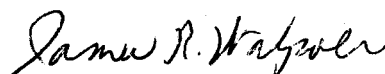
project.² This request is granted and, consistent with the deadline proposed by Islander East, materials to supplement its initial brief may be submitted **through August 20, 2003**.

The State's initial brief along with supporting information and data will be **due October 6, 2003**. This date provides Connecticut with approximately 45 days to respond to Islander East's brief, including any supplementary filing. The period would run from August 20 – instead of from the date this notice is received (as the Department had announced previously) – in order to provide the State a full 45 days to consider any new materials which Islander East recently requested to submit. Given the changed circumstances, this time frame appears reasonable and consistent with earlier expectations of the parties.³

The Department indicated previously that the public and federal agency comment periods will be further extended in order to provide an adequate opportunity to consider the State of Connecticut's brief.⁴ Specific closing dates for the public and agency comment periods will be announced shortly. Also, the Department previously announced its intention to hold a hearing for this appeal, having concluded that such a proceeding would serve the public interest. Consequently, efforts will resume to schedule the hearing at a site in the State of Connecticut on a date prior to the close of the public comment period.

Please direct any questions concerning this letter to Branden Blum of this office.

Sincerely,



James R. Walpole
General Counsel

² The State has no objection to Islander East's request. Letter from David H. Wrinn and Carmel A. Motherway, Office of the Attorney General, State of Connecticut, to Branden Blum, National Oceanic and Atmospheric Administration (NOAA), U.S. Department of Commerce, August 7, 2003, at 1.

³ The parties requested that in the event the stay ended on May 1, 2003, the State of Connecticut be provided until June 15, 2003, to file its initial brief and supporting materials. Letter from Frank L. Amoroso, Nixon Peabody LLP (representing Islander East), to Branden Blum, NOAA, U.S. Department of Commerce, March 14, 2003, at 1.

⁴ Notice of Remand and Stay of Appeal Proceedings; Reopening of Public Comment Period, 68 Fed. Reg. 35859 (2003).